GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:613
ANSWERED ON:26.02.2016
Auction of Jewels by Banks
P. Shri Nagarajan;Senthilnathan Shri PR.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that all banks have taken a decision to auction the Jewellery mortgaged by the farmers in Tamil Nadu for delay and failed repayment of their agricultural loan;

(b) if so, the details thereof; and

(c) the corrective steps taken by the Government in the matter to solve the problem amicably and to help the farmers who were severely affected by the recent rain and flood across Tamil Nadu?

Answer

The Minister of State in the Ministry of Finance
(Shri Jayant Sinha)

(a) to (c): State Level Bankers' Committee (SLBC), Tamil Nadu has reported that the State Government of Tamil Nadu has declared the State as flood-affected, vide their order dated 20.12.2015, consequent to which the short term loans availed by farmers against pledge of jewellery for cultivation of crops are restructured or rephased by banks in areas declared as flood affected by the State Government, in terms of RBI's Master Circular dated 1.7.2015 containing guidelines for relief measures by banks in areas affected by natural calamities.

SLBC, Tamil Nadu has further reported that the State Government of Tamil Nadu has instructed the revenue authorities in the respective districts to issue necessary certificates for availing of various reliefs and concessions from the Banks including cooperative credit institutions. Accordingly, Banks are providing relief to the affected farmers in terms of RBI's guidelines.